

ACCOUNTING PROCEDURE

TOPIC: Section 8 - Fixed Assets 2.01	EFFECTIVE DATE: 03/30/99
TITLE: Fund 490/495 LTE Labor on Capital Projects	REVISION DATE: 7/19/02
AUTHORIZED BY: Cheryl Thompson, Deputy Director	PAGE 1 OF 5

BACKGROUND

The Department of Administration (DOA) Division of Facilities Development (DFD) has occasion to develop the scope of work for certain repair renovation or improvement projects for Institutions/Centers (see DOA-4576 Attachment 1 - 2 pages) which combines the use of Department of Health and Family Services (DHFS) FTE Staff Craftworkers and short-term LTE employee labor (Trade Union represented members). *The Federal Internal Revenue has specific injunctions and penalties against the hiring of individual services on a contractual basis in lieu of employee services under direct supervision by staff EMPLOYEES.* Capital Project Funds 490/495 are allocated by DFD for the payment for LTE costs on these construction projects. DFD cannot hire a DHFS LTE. DHFS hires the LTE, and must be reimbursed for LTE salary expenses by the Fund 490/495 dollars allocated to the DFD Capital Project budget.

POLICY

The Institution/Center Facilities Staff hires the LTE through normal payroll processes. *Note: Trade Union LTE's are eligible for the annual Union stipulated salary increase (usually June 1st of each year).* An FMS project number will be assigned in appropriation 267 to record the LTE payroll expenditures. Institution/Center Business Office will generate an invoice to DFD through the WiSMART accounts receivable system (ARS) in the amount of the LTE bi-weekly salary/fringe. Amounts collected via ARS will be coded to a revenue account in the appropriation center that records the LTE expenditure.

PROCEDURE

1. DHFS Engineering will notify the Institution/Center Business Manager when a Capital Projects Fund 490/495 project has been approved by DFD for the hire of LTE trade union labor (see Attachment 1 - 2 pages).
2. Institution/Center Business Office should contact the assigned BFS Lead Accountant to assign an FMS project number in appropriation 267. Business Office will notify their Personnel Office staff to process the short-term LTE authorization to hire.
3. DHFS Engineering submits the LTE encumbrance request to the DHFS/BFS Capital Projects Coordinator to enter into WiSMART (see Attachment 2). DFD approves the LTE encumbrance via standard Fund 490/495 transaction processing.
4. Actual LTE hours worked shall be recorded on timesheets as usual. Timesheet is submitted to the Institution/Center Payroll Office bi-weekly for regular payroll processing. The Facility craft supervisor forwards

(faxes 267-6749) a copy of the LTE bi-weekly timesheet to the DHFS Engineer-in-charge of the construction project who monitors the budget balance projections.

5. Institution/Center Business Office staff generates an invoice through WiSMART Accounts Receivable Subsystem (ARS) in the amount of the salary/fringe. The invoice will reference the 5-digit DFD Project Number. **Submit the invoice with payroll cost back-up documentation to: DOA/DFD c/oDHFS/DMT Chief Engineer, 1 W Wilson St-PO Box 7850, Madison WI 53707-7850.** The Business Office can invoice bi-weekly or monthly from payroll information. Amounts collected via ARS will credit a revenue account in the appropriation 267 project.
6. DHFS Engineering approves and forwards the invoice to the DHFS/BFS Capital Projects Coordinator for payment processing. Fund 490/495 encumbrance payments are made on a next day basis. DFD Project Managers may elect to approve payments on a Fund 490/495 Direct Charge transaction processing basis.

ATTACHMENTS

1. DOA-4576 - Request for Small Project Approval (DFD)(2 pages)
2. Sample memo requesting LTE Fund 490/495 encumbrance

REFERENCES

DHFS APP **Section 8-Fixed Assets 2.0** (State Capital Projects/Construction Projects Transaction & Monitoring Process)

CONTACTS

Cheryl Jatczak, DHFS Capital Projects Coordinator
Accounts Payable/Billing & Collections
(608) 266-0375

Jean Gevelinger, Chief
Accounts Payable/Billing & Collections
(608) 266-0594

ATTACHMENT 1 (Page 1 of 2)

STATE OF WISCONSIN
DEPARTMENT OF HEALTH & FAMILY SERVICES
DOA-4576 (R10/97)



State of Wisconsin
Department of Health and Family Services
Division of Management & Technology
ENGINEERING SECTION OF
1 West Wilson Street, Room 1151
Madison, Wisconsin 53707-7850
608/267-7192
FAX 608/267-8749
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REQUEST FOR SMALL PROJECT APPROVAL

Project Information:

Project: Tuckpointing and Control Joint Repairs
Agency/Institution: Mendota Mental Health Institute
Building Name: Various Buildings
Contact Person: Bill Duckwitz

DFD Tracking No: 7683
DFD Project No: 98695
DFD Project Mgr: Baus
Building No: _____
Phone No: 608-243-2987

Estimated Project Budget: (attach supporting cost est.)

Construction	\$ <u>28,500.00</u>
Contingency	\$ _____
Equipment	\$ _____
Other: _____	\$ _____
Design Fee	\$ _____
DFD Management Fee	\$ <u>500.00</u>
• \$500 on all delegated projects	
• 4% of construction related costs on non-delegated projects	
Total Budget	\$ <u>29,000.00</u>

Funding Sources:

(GFSB# 49)

Facilities	\$ <u>29,000.00</u>
Utilities	\$ _____
HSE	\$ _____
Energy	\$ _____
Prog. Revenue	\$ _____
Seg. Funds	\$ _____
Roads	\$ _____
Roofing	\$ _____
Preventive Maint.	\$ <u>29,000</u>
Other ()	\$ _____

Work Classification: ☒ Repair [] Improvement

Agency/ Institution Request Approval: (See attachment No. 4 of the Small Project Guidelines)

The work does not conflict with current or pending work at the site. The work is not part of an enumerated major project. The work will not affect the operation of the existing mechanical system; if so, detailed information is attached. If approved, the work will not appear on a subsequent Biennium's All-Agency funding request.

Approved By: Kathleen Mentzel
(Agency/Institution Small Projects Coordinator)

Date: 6/19/98

DFD Funding Recommendation:*

☒ Approved [] Not Approved [] Approved With Modifications

Description of Modification/ Reason for Non-Approval:

THIS PROJECT WILL PROVIDE TUCKPOINTING REPAIR TO GOODLAND HALL AND MEMORIAL UNITS BLDGS. 1, 4, 10, 14 & 15.

Approved Projects Routing

____ RW's File
____ Bldg. & Grounds Supt.
____ DCTF — Leslie Perleman
____ A/E
____ Sm. Proj. Binder

Reviewed By: Gregory G. Baus
(DFD Staff Specialist)

Date: 6/22/98

Approved By: Bill Duckwitz
(DFD Administrator)

Date: 6-29-98

* (Items to be completed by DFD)

ATTACHMENT 1 (Page 2 of 2)

Delegated Authority Requested by The Agency:

- ☒ Delegated Design Authority
☒ Delegated Bidding Authority
☒ Delegated Contracting Authority
☒ Delegated Construction Oversight

Agency A/E: Agency Staff
 Agency Rep: Agency Staff
 Agency Rep: Agency Staff
 Agency Rep: Bill Duckwitz / Robin Benton

>>>AND/OR<<<

Non-Delegated Authority:

- ☐ Design by DFD or Consultant
☐ Bidding, Contracting by DFD
☐ Construction Oversight by DFD

Consultant: _____
 Construction Coordinator: _____

Work To Be Performed By:

- ☐ Construction Contract ☒ LTE
☒ Purchase Order - Materials ☐ Institution Staff
☐ Professional Services Contract ☐ Other _____

WEPA Action Required:

- ☐ Type I
☐ Type II
☒ Type III

Description of Work: (attach additional pages if needed)

The scope of the work includes tuckpointing exterior masonry joints, replacing broken/missing bricks and replacing exterior masonry control joint sealants. MMHI will hire an LTE mason and purchase/rent the necessary equipment and supplies to perform the work on the exteriors of several buildings. MMHI will provide the supervision and coordinate the work. There is one mason on staff who will work with the LTE. It is estimated the work will take 3-4 months.

Explanation of Need: (attach supporting documentation)

There are numerous locations where the brick mortar joints have open cracks which is allowing water to infiltrate the walls. This is causing leaks and structural damage. Other areas have cracked bricks due to inadequate control joints. Cracks and open joints are also a problem at the control joints as is the sealant around windows and vents. All these items have potential for serious damage due to freeze-thaw cycle and should be corrected.

Energy Projects:

Estimated Annual Savings: \$ _____ Estimated Payback Pd: _____ yrs. Estimated Utility Rebate: \$ _____

Project Schedule:

Complete Design: _____
 Receive Bids: _____
 Award Contract: _____
 Start Construction: July 1998 April 1999
 Complete Project: October 1998 Sept 1999

Distribution:*

[REDACTED]
P. HILLEGSTAD
M. TRENCH
G. BATES

ATTACHMENT 2

STATE OF WISCONSIN

CORRESPONDENCE/MEMORANDUM

Department of Health & Family Services / Engineering Section

Date: March 30, 1999

To: Kate Hutson
Bureau of Fiscal Services

From: Robert Wentzel *RW*
DHFS Engineering Section

Subject: Mendota Mental Health Institute
Tuckpointing and Masonry Repairs
Project No. 98695

Completion of the above project, which has been approved by the division of Facilities Development, requires MMHI to hire an LTE mason for approximately 16 to 18 weeks. Funding for this position will be provided by Project No. 98695.

Please encumber funding in the amount of \$20,711.49 so MMHI can be reimbursed for the salary paid to this LTE.

If you have any questions or need additional information regarding this project please let me know.

cc: Charles Ziegler, MMHI
Project File